

FirePension *dispatch*

FirePension *dispatch* is a periodic newsletter for subscribers and friends of MNFPC

Reminder: Pay your 2011 Invoice and Complete New Application

You'll soon be receiving a hard copy of the 2011 invoice in follow up to the email sent in November.

Included with the invoice is the new MNFPC Application that includes primary and billing contact fields. The new application also has updated terms and conditions, which includes consequences for not paying timely annual fees in an attempt to keep prices down for all the subscribers.

Remit your payment by March 31 or your subscription will be canceled and you will lose access to www.mnfpc.com and these important benefits under your annual maintenance fee:

- MNFPC alerts VFRA of changes available *or* required by law to your Bylaws so that you can receive your state aid.
- Anytime access to MNFPC support via phone or email to answer questions about your model bylaws and forms.
- Drafting and filing of bylaw amendments (e.g. benefit increase) for no additional charge
- Electronic access on www.mnfpc.com to all your current bylaw documents and pension forms, and template agendas, minutes and notices so you can efficiently administer your plan and run your meetings. ■

MNFPC Version 6.0 Bylaws Now Available

It is time to restate to version 6.0 of the MNFPC model bylaws. The number and type of changes depend on which version you are on. (Go to www.mnfpc.com, log in and go to the Support page to see how to tell what version you are on.) We will be assisting Subscribers who have paid their 2011 invoice by the March 31 deadline on a first-come, first-serve basis based on our existing capacity.

(See MNFPC Version 6.0 on page 2)

Did you know...

that by paying your MNFPC annual maintenance fee you can call 651-332-5557 or e-mail support@mnfpc.com to get answers to your questions about your customized version of the MNFPC model bylaws and forms?

FAQ Box

What is the difference between a Board meeting and a Membership meeting?

In short, VFRA *membership* meetings are not open to the public; attendance and voting are limited to the specific VFRA firefighters. Board (Trustee) meetings are generally held more frequently to run the association. Anyone – non-trustee firefighters or anyone from the general public - can attend (per Open Meeting Law MN Stat Ch 13D). However, only the nine trustees can vote.

If you have a burning question about your nonprofit or pension administration, contact MNFPC Trustee Support™ at 651-332-5557 or support@mnfpc.com. We act as a central repository of VFRA questions and contact our attorneys and CPAs for answers about the practical application of the model bylaws and pension forms.

MNFPC.com Subscriber Section

MNFPC's new website makes it easier to be a Minnesota fire relief association trustee.

The secure portion of www.mnfpc.com

- Stores your current bylaws and amendments online for streamlined filing and less work when responding to MN State Auditor inquiries
- Includes new plan forms to capture member and beneficiary information (Your VFRA should destroy all old blank forms and complete new Change of Beneficiary forms.)
- Answers common trustee questions, explains how to get the most out of your MNFPC subscription and provides commonly-requested links (like the Certificate of Insurance), all which eases the transition from current to new volunteer trustee when the time comes.

www.mnfpc.com allows one log-in access per VFRA. If you've forgotten your USERID and password, go to the www.mnfpc.com home page, click on "lost your password" under the subscriber login. You will be directed to a page that will ask for your email address.

Then,

- You will receive an email with a confirmation link in it. Click on the link to confirm you want to change your password.
- The system will send the VFRA primary contact (as listed on the MNFPC Application and Service Agreement) a new password and a link to sign in. ■

MNFPC Version 6.0 *(continued)*

Please note: If you are on a version older than V4.0, it does not include recent legislative changes, and you risk losing your state aid. See recommended actions below.

MNFPC plan forms on www.mnfpc.com have also been updated to include current legislative provisions, including the ability for the Surviving Spouse to waive beneficiary status.

Please destroy all old blank forms and only download current forms from the website. As a best practice, have each member complete a new Change of Beneficiary Form to capture beneficiary preferences. ■

Version	Recommended Action
V2.0	Restate to V6.0
V3.0	Restate to V6.0
V4.0	Restate to V6.0 only if you want the new Return to Service amendment
V5.0	Amend only if you selected the Return to Service option
ALL Versions	Destroy old blank membership and benefit forms; only use new forms on www.mnfpc.com

MNFPC Amendment / Restatement Process

From time to time your VFRA might want to restate or amend (See FAQ box below to see the difference between the two.) its bylaws to increase members' benefit level amount, change a meeting date or select a different model option to reflect how the board runs the relief association.

The first thing to do is to call MNFPC.

Why you should call us?

To get the most out of your MNFPC subscription and stay current with the Office of the State Auditor and MN State laws:

MNFPC drafts the proposed change so the language fits with the model. We do this for no charge as part of your annual maintenance agreement.

We send you the amendments / restatements for Board and / or membership approval, and municipal approval, if required.

Once you've had your meetings to approve the changes, send us the signatures and minutes so we can:

- File the amendment with the Office of the State Auditor (By law you are required to have your current VFRA bylaws on file with the Office of the State Auditor.); and

- Update www.mnfpc.com so that your electronic filing cabinet is up to date with all your current VFRA documents.

If your current bylaws are not on file with the Office of the State Auditor, at worst you could lose your state aid, and at least we might encounter difficulty with the Office of the State Auditor if/when we file any subsequent amendments (such as benefit increases) on your behalf. ■

FAQ Box

Did you know...

the MNFPC Bylaw model has an option that allows the Board, with a few exceptions, to amend its bylaws without membership approval? This time efficient option, available in version 3, was an idea of a MNFPC subscriber. Contact us to include it in your bylaws.

What is the difference between an amendment and a restatement?

A restatement is an amendment, but it amends the entire document, replacing the old version. You can remember it by restatement = replacement. When you restate a document, you no longer have to refer to old bylaws and amendments to govern your relief association.

An amendment changes just a portion of a document. The amendment references which section of the document has been changed and is simply attached to the rest of the document. Going forward, you would need to refer to the base document and all amendments to understand how to govern your relief association.

The process for working with MNFPC and our filing with the Office of the State Auditor is the same whether bylaws are amended or restated.

If you have a burning question about your nonprofit or pension administration, contact MNFPC Trustee Support™ at 651-332-5557 or support@mnfpc.com. We act as a central depository of VFRA questions and contact our attorneys and CPAs for answers about the practical application of the model bylaws and pension forms.

MNFPC: A Clearinghouse for Relief Association Best Practices

MNFPC consultants do not provide tax or legal advice, but we *do* bring together professionals and experts to address the complex issues facing Minnesota fire relief associations.

Fall 2010 saw the conflicting opinions regarding VFRA 990 filings come to a head when the IRS set an October 15, 2010 filing deadline.

For years, the IRS, legal and accounting professionals throughout Minnesota have had conflicting opinions concerning the filing by tax-exempt VFRA's of "annual returns" (Form 990-series filings) with the IRS and the possibility, if such filings are required but not made, of VFRA's becoming subject to "automatic revocation" of their exempt status.

The Minnesota Firefighter Pension Consultant logo is a trademark of Minnesota Firefighter Pension Consultants, LLC (MNFPC).

MNFPC model documents are drafted to conform to Minnesota state laws relating to relief association pension plans for volunteer firefighters. The model documents are not drafted to meet the requirements of tax-qualified retirement plans under the Internal Revenue Code, and it is doubtful that the model documents can meet those requirements. MNFPC makes no representation regarding the status of the plans under federal or state tax laws. MNFPC recommends that Relief Associations consult their own tax advisors regarding the treatment of the plan and distributions from the plan under state and federal tax laws.

MNFPC does not render investment, legal, accounting or tax advice. You should consult with an attorney, accountant or other independent qualified advisor regarding the legal or tax effect of the plan, distributions from the plan, and changes to organizational documents.

To clarify the issues, in September 2010, MNFPC organized a conference call between IRS National Office Exempt Organizations' Division Senior Tax Specialist and Form 990 Project Manager Stephen Clarke and a group of exempt organizations/nonprofit CPAs and leading nonprofit attorney, Eve Borenstein.

The result was clear VFRA action. In addition, legal and accounting professionals are hoping to meet with representatives from the Minnesota congressional delegation to put a bill into federal legislation that would address the "affiliate of a government" issue in the Fire Relief Association's favor. Their ultimate goal is to get VFRA's treated as affiliates of a governmental unit allowing them to automatically be tax exempt. ■

Events *calendar*

March 5

▪ Mankato Fire School

Our instructors will teach four 4-hour courses:

- New Trustee Orientation (intro)
- Non-Profit Articles and Bylaws
- Pension ("Special Fund") Portfolio Performance
- State Reporting: What, Why, When and How

\$55 per class. Register online at <http://cbi.southcentral.edu/fire>

June 3

▪ MSFDA Conference

MNFPC Instructor, Mike Stroeing, will teach the Bylaws course.

Go to www.msfd.org for more conference information.

July 7-11

▪ MN Muni Clerks Institute

Colleen Hartmon Bollom, with the League of Minnesota Cities, will be teaching "Do's and Don'ts: Working with Volunteer Fire Departments and Relief Associations"

Go to

www.stcloudstate.edu/continuingstudies/ceo/offering/MMCI.asp

for registration information.

The MNFPC Bylaw Solution™ — allowing trustees to be firefighters instead of pension experts.

Minnesota Firefighter Pension Consultants 1790 Berkeley Avenue, St. Paul, MN 55105

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